

nuclides) have been listed for which emission standards have not yet been promulgated. Four benzene standards have been proposed, with another likely soon. For arsenic, EPA is considering reliance on a voluntary agreement, since only one plant may need to be controlled. The agency is also reviewing the asbestos standard as a result of a court decision. The 1983 budget provides money (listed under the radiation program rather than the air program) for the proposal of standards for one source of radio-nuclides. The agency intends to promulgate an emission standard by fiscal year 1983 for both coke oven emissions and benzene.

AIR QUALITY AND THE 1983 BUDGET

The requested 1983 budget for the air program is approximately \$184 million. This is a 22 percent reduction in real terms from the 1982 level of \$220 million. The largest real decrease occurs in the enforcement subprogram (34 percent). The smallest decrease occurs in the abatement and control subprogram (20 percent), although reductions in this subprogram account for over one-half the total budget decrease of the air program. Moreover, 48 percent of the entire budget reduction in the air program occurs in resource assistance to the states under the abatement and control subprogram.

Full-time employment also is reduced from 1982 levels (approximately a 19 percent decrease). Like the funding changes, the anticipated major reductions in staff occur in the enforcement subprogram. These data are presented in Table 5.

Explanation of Changes

Abatement and Control. The abatement and control subprogram consists of several activities: development of regulations for mobile and stationary sources, resource assistance and air quality management implementation for states, compliance certification for mobile sources, and air quality monitoring and trends assessments. The funding (in constant 1981 dollars) for all activities falls in 1983, although mobile source control implementation and trends assessment activities will receive a nominal funding increase.

In the majority of instances, the requested lower budget reflects a reduction in regulatory development activity commensurate with the completion of several planned major standards and regulatory support activities over the past two years. For example, approximately 52 new source performance standards are being either developed, proposed, or promulgated this year, compared to less than 40 such standards in 1983 (based on data contained in EPA's 1983 budget submission to OMB). Similarly, eight hazardous emission standards are under development in 1982, compared to

TABLE 5. AIR QUALITY PROGRAM SUMMARY, 1982-1983 (Budget authority as reported by EPA)

	1982 (EPA current estimate)	1983 (EPA request)	Percent Change
<u>Thousands of Dollars</u>			
Nominal Dollars, Total	219,761.9	184,053.3	-16
Constant 1981 Dollars			
Abatement and control	125,661.6	100,856.9	-20
Enforcement	26,919.3	17,807.9	-34
R&D	<u>51,841.6</u>	<u>40,909.4</u>	<u>-21</u>
Total	204,422.5	159,574.2	-22

<u>Permanent Full-Time Employees</u>			
Abatement and Control	781	695	-11
Enforcement	496	330	-34
R&D	<u>365</u>	<u>309</u>	<u>-15</u>
Total	1,642	1,334	-19

only 3 in 1983. Thus, while these lowered activity levels are discretionary, they correspond to past long-term regulatory development schedules.

Efforts directed at assisting states to develop implementation plans to meet 1982 and 1987 clean air deadlines will decline after this year, when the majority of plans will be processed for approval or disapproval. In addition, 1981 and 1982 marked the completion of several guidelines issued to states for establishing emission standards for volatile organic compounds, the target of the major state plan development efforts for the 1987 deadline. Accordingly, the 1983 budget for air quality management implementation will decline 15 percent in real terms from 1982 levels.

Other budget reductions anticipate a greater shift of program responsibility to the states. However, such shifts are to be accompanied by a 26 percent reduction (in real terms) in EPA grants to state control agencies.

Enforcement. The enforcement subprogram is divided into stationary and mobile source activities. Although the 1983 budget for the overall subprogram is 34 percent lower than in 1982, the mobile source enforcement element receives a 3 percent real funding increase.

All major reductions in the enforcement program occur in activities directed at stationary sources, such as power plants and factories. The reduction in salaries and expenses reflects a shift of activities to another office (the Office of Legal and Enforcement Council) and greater state efforts. Improvements in state enforcement activities also are assumed to permit a reduction in extramural funding (the use of outside contracting). Nevertheless, although funding is significantly lower in 1983 than in 1982, EPA anticipates that compliance inspections and administrative orders issued will be commensurate with 1982 levels.

Mobile source enforcement funding increases slightly in 1983 due to an increase in extramural funding that more than offsets a reduction in salaries and expenses. Thus, while agency funding of this element increases, staffing is lowered significantly. The increase in extramural funding is designed to assist states in assuming greater program responsibility, while the reduction in EPA staff reflects a lowering of federal enforcement objectives. For example, federally supported confirmatory and surveillance recall tests will decline from 635 in 1982 to 490 in 1983, and fleet tampering and fuel-switching inspections will fall from 1,013 in 1982 to 590 in 1983. States will have to make up this difference if total program effort is to be maintained.

Research and Development. The research and development subprogram consists of research activities in four major areas: oxidants, hazardous air pollutants, mobile sources, and gases and particles. The requested budget for each of these elements is less than in 1982; for all of them together it declines by 21 percent in 1983.

The major budget changes in this subprogram reflect a shift in emphasis from long-term health effects research conducted by the agency to increased scientific assessment of existing information in support of standards development. For example, research involving the pollutant group oxidants will be lower in the areas of human and animal exposure model development, but greater in the area of assessing existing scientific data. This shift in emphasis is designed to accelerate preparation of the ozone criteria document due in 1983 or 1984, forming the basis of subsequent standards. Similarly, some budget reductions will occur in health effects research concerning mobile source air pollution; in certain cases, these reductions reflect completions of previously scheduled major programs.

Not all health effects research will experience budget reductions. Research on the health effects of gases and particles will be accelerated although the budget level for overall gas and particle research will decline (in real terms) approximately 15 percent in 1983.

Outstanding Issues

- o In the abatement and control subprogram, substantial increases in efficiency are assumed in the processing and technical review of state implementation plans. The reasons underlying these efficiency gains are not clear.
- o In the abatement and control subprogram, resource assistance to states in the form of state grants and direct training programs is significantly reduced (state grants under Section 105 and training programs are reduced 26 and 34 percent, respectively, in real terms). A reduction of such assistance may be contrary to the intent of shifting a greater share of program responsibility to the states, a shift that requires proper training of state technical personnel and adequate funding of state efforts.
- o In the enforcement subprogram, compliance inspections and administrative orders directed at stationary sources are expected to occur at a rate similar to 1982 efforts, but with decreased funding (a 41 percent real reduction from 1982 levels). The source of efficiency gains precluding a parallel reduction in the level of these activities is not clear.
- o In the enforcement subprogram, federal efforts directed at mobile source enforcement (compliance surveillance inspections and fleet tampering checks) have been sharply reduced. Increased state efforts are assumed to offset this drop in federal activity, but federal assistance to the states in this area has been reduced.

HAZARDOUS WASTE

The hazardous waste program is the third largest of the media programs in EPA's operating budget. Obligations reached a peak of \$141 million in 1981, declined to \$114 million in 1982, and are projected to decline to \$106 million in 1983. Over 80 percent of the 1983 reduction occurs in the area of financial assistance to states.

BACKGROUND

The problem of hazardous waste has grown in recent years due to several factors. First, the nation is increasing its consumption of all materials, including hazardous materials. Second, when toxic substances are banned from use, or as awareness increases of the hazard posed by the substances in question, existing stocks may be disposed of at a more rapid rate than usual. Finally, as air and water pollution controls increase, hazardous waste residues result; this problem is aggravated by regulators often failing to take into account cross-media effects when setting standards.

Although the technology for environmentally sound treatment, storage, and disposal of hazardous waste is often available, there is no economic incentive to utilize this technology. The most common damage that results is to groundwater, followed by surface water contamination. According to EPA, approximately 43 million metric tons of hazardous wastes were generated in 1981. 4/

Policy Action

Congressional Mandate. The Resource Conservation and Recovery Act of 1976 (RCRA, Public Law 94-580) requires EPA to develop a manifest system for tracking wastes, a list of hazardous substances, and standards of performance for generation, transportation, treatment, storage, and disposal of hazardous wastes. EPA was required to promulgate by April 1978 rules describing a manifest system for "cradle to grave" tracking of hazardous waste from the time it leaves the generator to its final disposal site. RCRA also required EPA to promulgate by April 1978 criteria to define hazardous waste and a list of particular hazardous wastes. Also by April 1978, EPA was required to develop standards of performance for generators and

4/ Justification of Appropriations Estimates for Committee on Appropriations, Fiscal Year 1983, p. HW-6.

transporters of hazardous waste and for facilities that treat, store, or dispose of hazardous wastes.

RCRA permits states to assume primary responsibility for hazardous waste programs if they meet certain requirements. States that receive this authorization are then eligible for federal grant assistance for the development and implementation of the state program.

Program Accomplishments. The hazardous waste program has missed most, if not all, of the major legislation deadlines under RCRA, but significant progress has been made. The manifest system was promulgated in May 1980 under Sections 3002, 3003, and 3004 of the act, and went into effect in November 1980. The rules identifying and listing hazardous waste were also promulgated in May 1980. Standards for generators and transporters were promulgated in February 1980.

The standards for treatment, storage, and disposal of hazardous wastes are more complex, and interim final rules have been issued for storage and treatment facilities, incinerators, and new land disposal facilities. Standards for existing land disposal facilities were required by court order to be issued by February 2, 1982, and their proposal is expected shortly.

The entire schedule for issuance of major RCRA regulations is shown in Table 6. According to this schedule, EPA should complete issuance of final RCRA standards by 1983. In addition, EPA has granted authorization to a number of states to administer hazardous waste programs. Interim authorization was granted to 27 states in fiscal 1981 to administer a program similar to the Phase I rules listed in Table 6.

Obligations by Budget Function

Obligations by budget function are shown in Table 7 for hazardous waste programs, for the years 1975-1983. Obligations for "superfund" are not included.

Future Program Direction

EPA's future efforts will consist primarily of development of final rules, delegation of responsibility to the states, and issuance of permits to facilities. EPA is conducting a major regulatory analysis of the RCRA program before issuance of final rules. One possible outcome of this analysis may be to incorporate cost/benefit considerations into the RCRA rules, such as classifying wastes by degree of hazard rather than as simply hazardous or non-hazardous. Second, delegation of responsibility to the states will continue. EPA projects that by fiscal year 1983 states with Phase I interim authorization will rise to 39, and 11 states will acquire

TABLE 6. SCHEDULE FOR PROMULGATION OF MAJOR RCRA REGULATIONS

		Promulgation Date <u>a/</u>
<u>PHASE I</u>		
S 3002	Standards for Generators	February 1980
S 3003	Standards for Transporters	February 1980
S 3001	Identification and Listing of Hazardous Wastes	May 1980
S 3004	Interim Status Standards	May 1980
S 3005	Consolidated Permit Regulations	May 1980
S 3006	State Program Requirements	May 1980
<u>PHASE II</u>		
S 3004	Financial Responsibility Requirements	
	Interim Final	January 1981
	Final	September 1983
	Technical Standards for Storage and Treatment Facilities	
	Interim Final	January 1981
	Final	September 1983
	Technical Standards for Incinerators	
	Interim Final	January 1981
	Final	October 1983
	Technical Standards for New Land Disposal Facilities	
	Interim Final	February 1981
	Final	October 1983
	Technical Standards for Existing Land Disposal Facilities	
	Interim Final	February 1982
	Final	October 1983

a/ The promulgation date represents the date the proposed regulation is printed in the Federal Register (thus satisfying the RCRA deadline). It is followed by a minimum six-month public review and comment period.

TABLE 7. HAZARDOUS WASTE PROGRAM OBLIGATIONS, 1975-1983 (In thousands of current dollars)

	Total	Abatement, Control, and Compliance	Enforcement	Research and Development
1975	20,184	12,180	—	7,374
1976	15,405	12,594	—	2,811
1977	18,688	14,456	3	4,229
1978	35,766	27,743	618	7,405
1979	62,521	52,554	1,515	8,452
1980	109,775	90,624	6,038	13,113
1981	141,428	101,705	11,391	28,301
1982*	114,087	75,904	7,863	30,320
1983*	106,408	74,292	1,897	30,219

* Estimate of obligations, including carry-over funds as estimated by EPA.

Phase II interim authorization. Finally, EPA will be issuing permits to facilities. EPA estimates that approximately 11,000 hazardous waste storage, treatment, and disposal facility permits will be required, and 1,020 permits will be issued in fiscal year 1983. Only 1 permit was issued in fiscal year 1981, and the 1982 budget estimate of 360 has now been revised downward to 100. The issuance of facility permits, therefore, represents a major new effort.

HAZARDOUS WASTE AND THE 1983 BUDGET

The requested 1983 budget for the hazardous waste program is approximately \$103 million. This is a 10 percent reduction in real terms from the 1982 level of \$107 million.

The largest real decrease occurs in the enforcement subprogram (56 percent), accounting for 21 percent of the entire funding decrease for the hazardous waste program. The smallest decrease (9 percent) occurs in the abatement and control subprogram, accounting for 61 percent of the overall program budget reduction. Budget reductions in the research and development subprogram account for the remaining 18 percent of program cuts.

Full-time employment also is reduced from 1982 levels (by approximately 9 percent). Like the funding changes, the anticipated major reductions in staff occur in the enforcement subprogram (47 percent). The research and development subprogram staff, on the other hand, is increased by 27 percent. These data are presented in Table 8. To reflect the transfer of the permit issuance activity from enforcement to abatement and control in 1983, permit issuance funding and employment for 1982 appear under abatement and control. Comparisons of 1983 to 1982 levels include this adjustment.

Explanation of Changes

Abatement and Control. The abatement and control subprogram consists of three activities: waste management, regulations, guidelines, and policies; financial assistance; and waste management strategies. The first activity is directed at regulatory development. Financial assistance provides funding to states for developing and implementing hazardous waste management programs. The waste management strategies activity coordinates EPA regional responsibilities for overseeing and operating hazardous waste programs.

In 1983, regulatory development guidelines and policy activities will receive a 17 percent real funding increase. EPA indicates the higher funding will be directed at larger efforts in regulatory reform, including risk mitigation studies and regulatory impact analysis. In contrast, activities

TABLE 8. HAZARDOUS WASTE PROGRAM SUMMARY, 1982-1983
(Budget authority as reported by EPA)

	1982 (EPA Current Estimate)	1983 (EPA Request)	Percent Change
<u>Thousands of Dollars</u>			
Nominal Dollars, Total	107,228.1	103,343.7	-4
Constant 1981 Dollars			
Abatement and control	68,543.5	62,309.6	-9
Enforcement	3,770.1	1,644.3	-47
R&D	<u>27,430.0</u>	<u>25,645.2</u>	<u>-7</u>
Total	99,743.6	89,599.0	-10

<u>Permanent Full-Time Employees</u>			
Abatement and Control	421	381	-9
Enforcement	86	46	-47
R&D	<u>103</u>	<u>130</u>	<u>+27</u>
Total	610	557	-9

providing financial assistance to the states will experience a 21 percent real decrease (over \$6 million in nominal reductions). The decrease reflects the agency's belief that states are now more capable of funding their own hazardous waste programs than in the past.

The waste management strategies activity will undergo a 31 percent budget increase (\$2.6 million). Permitting of facilities and negotiation of cooperative arrangements with the states (delegating portions of the hazardous waste control program) will be the focus of 1983 activities; the funding increase in these activities is limited to extramural funds (outside salaries and expenses), allowing regions access to additional technical expertise to evaluate hazardous waste facilities.

Enforcement. The enforcement subprogram consists of two activities for which funding will be combined with or transferred to another activity. Hazardous waste permit issuance will be combined into the waste management strategies activity in 1983 and a portion of the enforcement activities will be transferred to the Office of Legal and Enforcement Counsel. Overall, approximately \$6 million will be cut or transferred from the 1982 budget level for this subprogram, and enforcement staff will be reduced by 47 percent. EPA expects its regional offices to be capable of conducting 2,950 compliance inspections in 1983, approximately 250 less than those estimated for 1982.

Research and Development. The research and development subprogram consists of scientific assessment, technical information, monitoring and quality assurance, health effects research, and control technology development. The primary reductions in this subprogram will occur in the area of control technology development. Extramural funds in this area are reduced, while in-house research efforts are increased, and continuing development of some technology is left to the private sector.

The emphasis in the research and development subprogram will be on regulatory development and implementation, as well as regulatory reform efforts. To this extent, more emphasis will be placed on test methodology used to develop and implement regulations, rather than long-term health effects research. Moreover, more emphasis will be placed on in-house research, rather than on extramural funding of such efforts.

Outstanding Issues

- o Enforcement for the hazardous waste program has been transferred to the Office of Legal and Enforcement Counsel, while monitoring activities will remain with the enforcement office within the hazardous waste program. The extent to which hazardous waste enforcement activities are reduced depends on the allocation of funds and manpower within the Office of Legal and Enforcement Counsel. This allocation is yet to be determined.

TOXIC SUBSTANCES

The toxic substances program is one of EPA's newest. A small program existed in the mid-1970s, but obligations have grown dramatically due to enactment of the Toxic Substances Control Act (TSCA) in October 1976. The program ranked fourth among EPA's regulatory programs in terms of 1981 obligations at a level of \$94 million. However, the number of regulations issued to date has been limited because of the delays involved in implementing a novel regulatory program. The 1983 budget for toxic substances includes a 17 percent real decrease in total activity, half of which occurs in the area of research and development.

BACKGROUND

TSCA was passed in response to the proliferation of chemical compounds with unknown health and environmental effects. There are over 4 million known chemical compounds, and an estimated 55,000 are in commercial production, with 50 produced in quantities greater than 1.3 billion pounds per year for total industry sales of nearly \$150 billion. ^{5/} The environmental and health effects of most of these substances have not been adequately studied. The toxicity and persistence in the environment of chemicals have often been discovered after their widespread use and after they have become important to industrial, commercial, or agricultural processes. Over two dozen major federal laws exercise control over toxic substances in various forms and places, from pesticides to foods, from the work place to the nation's air and water, ^{6/} but there are a number of important gaps of authority in these laws. Perhaps most notably, no authority exists for premarket screening of chemicals unless they are pesticides, drugs, or food additives.

^{5/} Environmental Quality: The Ninth Annual Report of the Council on Environmental Quality (December 1978), p. 178; Administration of the Toxic Substances Control Act (1980), OPA 100/0 (April 1981), p. 1.

^{6/} Environmental Quality: The Tenth Annual Report of the Council on Environmental Quality (December 1979), p. 174.

Policy Action

Congressional Mandate. The enactment of the Toxic Substances Control Act in October 1976 was the end result of nearly six years of executive and Congressional deliberation. There are four major sections in the act--Sections 4, 5, 6, and 8. Section 4 authorizes EPA to promulgate testing requirements for particular chemicals, with testing to be conducted by the manufacturers or processors of the chemicals. Under Section 5, manufacturers of new chemicals, and manufacturers and processors of chemicals for significant new uses, are required to give EPA at least 90 days' notice before beginning manufacture. Section 6 allows EPA to regulate the manufacture, processing, and distribution in commerce of chemicals that present unreasonable risk to human health or the environment as determined by EPA. Section 8 permits EPA to require industry to maintain and report information concerning uses, production levels, number of workers exposed, and health and environmental effects of chemicals.

Program Achievements. The major accomplishments to date have been the publication of the Section 8(b) inventory of existing chemicals, the establishment and operation of the Section 5 premanufacture notification system, and the regulation of polychlorinated biphenyls (PCBs) and chlorofluorocarbons (CFCs) under Section 6. The Section 8(b) inventory was published June 1, 1979. The Section 5 system began July 1979. Final rules were issued under Section 6 in February 1978 for marking and disposal of PCBs, in March 1978 for prohibition of use of certain CFCs for all nonessential aerosol applications, in April 1979 for prohibition of manufacture, processing, distribution, and non-totally-enclosed uses of PCBs, and in March and May 1980 for control of wastes contaminated with dioxin.

Several chemical control rules have also been proposed. In May 1980, EPA, in conjunction with other agencies, banned the use of PCB-containing equipment from food and feed-processing plants and storage facilities; federally inspected meat, poultry, and egg product establishments; and agricultural chemical facilities where pesticides and fertilizer are manufactured or stored. In September 1980, EPA proposed a rule requiring all primary and secondary schools to identify friable (crumbling) asbestos.

The toxics program has also experienced several delays. Although the TSCA deadline for publication of the inventory of existing chemicals was set for October 1978, EPA decided that rather than publish a simple list of existing chemical substances, the inventory should be the cornerstone of a chemical information system for regulation of existing chemicals. This delayed publication until June 1, 1979. Another significant delay has occurred in the Section 4 testing program, which has not issued any final rules requiring testing of particular chemicals.

Obligations by Budget Function

Obligations by budget function are shown in Table 9 for toxic substances program elements, for the years 1975-1983. Of the regulatory programs discussed in this report (air, water quality, hazardous waste, and toxics), toxics spent in 1980-1981 the highest percentage among the four programs on research and development, and the lowest on enforcement.

Future Program Direction

Activities are underway in all four of TSCA's main regulatory sections. In the Section 4 testing program, EPA has proposed test rules for a number of chemicals and issued advance notice of proposed rulemaking initiating test rule development for others. EPA will be developing final rules for some of these chemicals, and making decisions not to require testing for others. In January 1981, a court issued an order requiring EPA to respond to the backlog of testing recommendations issued by the Interagency Testing Committee (ITC). Eleven individual chemicals or categories of chemicals were required to be considered for rulemaking in 1981, with another 13 required for each of 1982 and 1983. In addition to this backlog, EPA must respond to new recommendations by the ITC that are issued every six months. EPA must respond to these recommendations within one year.

In Section 5, the premanufacturing notification system is expected to process between 600 and 1,000 chemicals per year.

Under Section 6, EPA is required by a court order to complete work by October 1982 on two parts of the PCB ban rules that were remanded to the agency for further proceedings in October 1980. ^{7/} There is also renewed interest in promulgation of the asbestos-in-schools regulation. Under Section 8, several reporting rules are in various states of completion--general assessment of approximately 250 chemicals, asbestos reporting, reporting of existing health and safety studies, and the generic small business reporting exemption.

A number of possible changes may occur in the program that could significantly affect the workload. Under Section 4, EPA hopes to negotiate voluntary test agreements for testing of chemicals rather than promulgating test rules. This has the potential for workload reduction, since development of test rules has been extremely expensive to date. Under Section 5, EPA is currently reviewing the amount of information that should be required from industry. EPA is also reviewing, in conjunction with the Presidential Task Force on Regulatory Relief, the extent to which certain chemicals would be exempted from the process. Some proposals would exempt up to 90 percent

^{7/} EPA had exempted from the ban regulations certain commercial uses that are "totally enclosed" and had limited the applicability of the regulations to materials containing PCBs in concentrations greater than 50 parts per million.

TABLE 9. TOXIC SUBSTANCES PROGRAM OBLIGATIONS, 1975-1983 (In thousands of current dollars)

	Total	Abatement, Control, and Compliance	Enforcement	Research and Development
1975	4,888	3,834	—	1,054
1976	5,491	4,732	—	759
1977	8,700	7,058	243	1,399
1978	21,693	11,582	1,250	8,861
1979	61,531	41,450	3,259	16,822
1980	90,237	55,897	3,434	30,906
1981	94,104	58,773	5,019	30,298
1982*	86,712	47,019	4,757	34,936
1983*	73,155	41,511	2,653	28,991

* Estimate of obligations, including carry-over funds as reported by EPA.

of the new chemicals currently subject to the process. Under Section 6, although assessment activities are underway, it is unclear whether any additional regulatory activities will be forthcoming in the near term, and thus a workload reduction in the rule development area may occur.

TOXIC SUBSTANCES AND THE 1983 BUDGET

The requested 1983 budget for EPA's toxic substances program is approximately \$68.6 million. This represents a 17 percent reduction in real terms from the 1982 level of \$77.4 million. The largest real decrease occurs in the enforcement subprogram (45 percent), although reductions in this subprogram account for only 15 percent of the total toxic substances program decrease. On the other hand, nearly one-half of the total program reduction is due to a 20 percent cut in the research and development subprogram budget.

Full-time employment in the toxic substances program is reduced by 11 percent from 1982 levels. The greatest reduction (28 percent) occurs in the enforcement subprogram, while a 9 percent decrease in abatement and control accounts for one-half of the total staff reductions at the program level. These data are summarized in Table 10.

Explanation of Changes

Abatement and Control. The abatement and control subprogram is comprised of several activities: testing and evaluation, chemical control, Toxic Substances Control Act (TSCA) information, and toxics integration. The overall funding for these activities decreases in 1983, although some activities will receive slight increases in their budgets.

In the majority of circumstances, budget reductions in chemical testing, evaluation, and control reflect a shift in emphasis from the regulatory approach for controlling chemicals toward more voluntary efforts, and the completion of some program objectives such as chemical guidelines encouraged for industry. Investigating new chemicals will be the highest priority for the EPA toxics program in 1983, while greater responsibility for testing those chemicals already in use will be encouraged for industry. Estimated activity in the new chemicals program includes 40 risk assessments for potential orders in 1983 as opposed to only 25 in 1982, and 1,000 premanufacture notifications processed as compared to 800 in 1982. While these activities will be increased, existing chemical program activities will be reduced. Risk assessments for existing chemicals will drop from three in 1982 to one in 1983, while regulatory analyses will fall from seven to two.

TABLE 10. TOXIC SUBSTANCES PROGRAM SUMMARY, 1982-1983
(Budget authority as reported by EPA)

	1982 (EPA current estimate)	1983 (EPA request)	Percent Change
<u>Thousands of Dollars</u>			
Nominal Dollars, Total	77,377.8	68,604.0	-11
Constant 1981 Dollars			
Abatement and control	38,803.2	34,092.4	-12
Enforcement	4,173.8	2,282.7	-45
R&D	<u>28,999.8</u>	<u>23,104.5</u>	<u>-20</u>
Total	71,976.8	59,479.7	-17

<u>Permanent Full-Time Employees</u>			
Abatement and Control	429	390	-9
Enforcement	89	64	-28
R&D	<u>169</u>	<u>154</u>	<u>-9</u>
Total	687	608	-11

Changes in the proposed distribution of funds also reflect a shift in emphasis in the chemical testing and control activities. Reduced salaries and expenses for testing and chemical control indicate a lower level of agency activity, to be offset by an assumed greater cooperation by industry in the testing program. By utilizing voluntary agreements, the agency anticipates that it will be able to initiate testing of chemicals with fewer agency resources than would be required to promulgate testing rules.

The TSCA information activities include all the information collection and management activities needed to implement the Toxic Substances Control Act. Efforts at recordkeeping show a shift in emphasis from chemicals in use to new ones. In addition, although the overall budget will decline in the TSCA information activities, premanufacture review efforts are expected to increase. Assumed efficiency gains, including an anticipated greater number of exemptions from the review process, are cited as supporting this increased activity level in the face of reduced funding.

The toxic integration activities are designed to coordinate chemical control programs and information within the United States and the other OECD countries. Extramural increases will provide for an expansion of the Chemical Substances Information Network data base to achieve international coordination of toxics activities. Public participation grants have been terminated for 1983, but assistance to states will concentrate on providing technical knowledge and data information to those establishing toxics management programs. Overall, the 1983 budget for this element does not change in real terms from 1982 levels.

Enforcement. The 1983 budget for the toxic substances enforcement subprogram is greatly reduced in all areas. Most of the legal activities are to be transferred to the Office of Legal Enforcement and Counsel. Nevertheless, federal inspections are expected to decline from 2,018 in 1982 to 1,480 in 1983. The toxics compliance activities cutbacks are due to anticipated greater responsibility by the regions in implementing chemical control strategies. The toxic substances enforcement grant activities, which provided \$500,000 in 1982, are eliminated from the 1983 budget. States can no longer receive financial assistance to develop their own chemical control demonstration programs, but information generated by the federal program will be available to those states that desire it.

Research and Development. The toxic substances research and development subprogram consists of eight research activities concerning health effects, environmental processes, and scientific assessments. Both funding and employment for the overall subprogram will decline in 1983, although salaries and expenses will increase due to a rise in laboratory costs.

The major budget changes in the research and development subprogram reflect a shift in emphasis from long-term health research to improving the usefulness of present data and testing methodologies. The

1983 budget reductions occur primarily in developing new testing techniques, and reflect the completion of efforts needed to implement current test guidelines. Moderate reductions also will occur in developing predictive techniques and in support for the National Center for Toxicological Research, which conducts long-range research. Overall reductions in research objectives and fundings, however, will lead to greater dependency of the EPA on in-house research capabilities concerning toxic substances. The EPA will focus these efforts on asbestos and new chemicals. Management efficiency gains are assumed in all areas.

Outstanding Issues

- o In the enforcement subprogram, the budget will be reduced by 45 percent in real terms, and the staff by 28 percent. The number of federal inspections will decline from 2,018 in 1982 to 1,480 in 1983, a decrease of 27 percent. The reason behind this reduced federal effort is not clear, particularly since states have little responsibility in the area of enforcement.
- o In the abatement and control subprogram, the EPA is encouraging voluntary testing of toxic substances by industries. Such cooperative agreements are being encouraged to save agency money without affecting the goals of the testing program. The expected output from this program shift is unknown, however, and it is not known if agency funds will be sufficient to conduct such evaluations in the absence of large-scale industry cooperation. Furthermore, negotiation of such cooperative agreements can involve significant staff resources.

